



Department of Justice

FOR IMMEDIATE RELEASE
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Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division issued the following statement today after AT&T's restructuring announcement:

The AT&T breakup is a further reflection of the profound changes occurring in the telecommunications industry at this time. It is interesting that the transaction will result in less vertical integration within AT&T by separating AT&T's manufacturing and communications services. Because of our extensive involvement in safeguarding competition in this industry, we will examine this transaction with great interest, just as we monitor all major developments that might affect the competitive landscape. In general, corporate spin-offs of this kind do not raise significant antitrust concerns.

The Antitrust Division will consider the transaction carefully to determine what implications, if any, it might have for antitrust consent decrees in which AT&T is a party. In particular, AT&T's acquisition of McCaw Cellular Communications Inc., and U.S. v. Western Electric Co. also known as the modified final judgment or MFJ, under which AT&T was broken up in 1984.

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